

**Agenda Item:** I.A.1.**DATE:** July 14, 2005**SUBJECT:** East Tennessee State University, Doctor of Pharmacy (PharmD)  
and College of Pharmacy**ACTION RECOMMENDED:** Approval

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**BACKGROUND INFORMATION:** The proposed College of Pharmacy and Doctor of Pharmacy has developed as a result of a process that has involved a great deal of preliminary work and collaboration. ETSU has proposed a program to make pharmacy education more available to the citizens of northeastern Tennessee. Because of geographic and other factors, fewer than half of the expected number (based on high school graduations) of East Tennessee students interested in pharmacy as a career pursue pharmacy study in Memphis. As a university with a strong health science presence, ETSU has plans to attract an excellent faculty and to develop local practitioners as pharmacy preceptors. By building on experience in training rural and community health practitioners, ETSU expects to impact the profession of pharmacy by training pharmacists to improve healthcare in this rural community setting.

**PROPOSED START-UP DATE:** Fall 2006

Commission staff has reviewed program proposals according to the academic standards adopted by the Commission on November 14, 2002. Each standard is referenced below.

**1.1.20A MISSION:** The proposed program is consistent with the role and scope of the mission of the institution to serve the state, region and nation. With an emphasis on rural health, the Division of Health Care, composed of the Colleges of Medicine, Nursing, and Public and Allied Health, serves the state, region and nation as a comprehensive academic health services center.

**1.1.20B CURRICULUM:** The ETSU program will accept pharmacy students after a minimum of two years of pre-pharmacy study. The proposed curriculum requires completion of 136 semester credit hours, after the completion of pre-pharmacy courses, distributed as follows:

<u>Curriculum Components</u>	<u>Hours Required</u>
Pre-Pharmacy Education	(66)
Major Field Core	124
Concentration	0
Electives	<u>12</u>
TOTAL	136

Fifty-six (56) new courses will be developed by the faculty. When the curriculum has been finalized, and approved through the ETSU approval process, a second external review will be conducted. This will occur prior to program implementation.

**1.1.20C ACADEMIC STANDARDS:** The proposed PharmD would accept students following two years of pre-pharmacy study and require a four-year program to complete the curriculum. The ETSU program will emphasize rural and community pharmacy, a segment of the profession for which there is a particularly strong need in Northeast Tennessee. Students may be admitted to the ETSU College of Pharmacy following successful completion of a prescribed pre-pharmacy curriculum which may be completed in two years at any appropriate institution. Students are expected to have a GPA of 2.5 or greater and to submit scores from the Pharmacy College Admission Test (PCAT) prior to acceptance. ETSU expects that students accepted into the program will be chosen using a variety of factors including personal background and interests, grades, performance on the Pharmacy College Admissions Test, and personal essays and interview. The admissions process will utilize an admissions committee whose structure will be finalized during the ACPE accreditation process.

Student Projections	Projected Program Productivity		
	Full-time Enrollment	Part-time	Graduates
Year 1	65	0	0
Year 2	130	0	0
Year 3	195	0	0
Year 4	260	0	65
Year 5	295	0	65

**1.1.20D FACULTY:** The ETSU College of Pharmacy will utilize faculty of other colleges in the University when appropriate to enhance teaching quality. ETSU has a strong faculty in several areas relevant to pharmacy education, including the basic medical sciences of anatomy, biochemistry, immunology, microbiology, pharmacology and physiology and business. The proposed ETSU model will utilize local faculty and hire new faculty as needed. The proposed plan calls for hiring approximately 25 faculty in a variety of subject and practice areas. In order to be eligible for accreditation, the Doctor of Pharmacy program must be part of an independent College of Pharmacy within ETSU, with a Dean who serves as the chief administrative and academic officer. The senior leadership of the College of Pharmacy will include an Associate Dean for Academic Affairs, Associate Dean for Student Affairs, Director of Experiential Programs and the Chairs of the two college departments, Pharmaceutical Sciences and Pharmacy Practice.

**STAFF NEEDS:** Clerical and support personnel will be provided as needed to assure the smooth operation of the College of Pharmacy. Administrative support personnel will be provided for the Dean, Associate Deans, Director of Experiential Programs and the two academic departments. Additional support positions are currently budgeted to assist with laboratories in the pharmaceuticals curriculum. The College of Pharmacy plans to utilize university support personnel when appropriate, for example, for human resources, information technology and faculty development.

**1.1.20E LIBRARY RESOURCES:** The American Association of Colleges of Pharmacy (AACP), through its Library/Educational Resources Section, publishes “Basic Resources for Pharmaceutical Education,” which serves as a guide for developing and maintaining library collections that serve colleges of pharmacy. Using the AACP recommendations, ETSU has developed a plan to purchase core journals (\$10,000) and books (\$18000) during the initial years of the college. ETSU currently has a strong Medical Library and will partner with other libraries, both in and outside Tennessee, to subscribe to electronic resources such as databases and journals.

**1.1.20F ADMINISTRATION/ORGANIZATION:** The ETSU College of Pharmacy will be part of the Division of Health Affairs that now includes the James H. Quillen College of Medicine, the College of Nursing, and the College of Public and Allied Health.

**1.1.20G SUPPORT RESOURCES:** Local practitioners are strong supporters of the proposed program and many will serve as pharmacy preceptors for student clinical externships.

**1.1.20H FACILITIES/INSTRUCTIONAL EQUIPMENT:** Classroom space for the pharmacy program is currently available on the ETSU medical school campus located on the grounds of the Veterans Affairs Mountain Home. These facilities include two 65 seat classrooms and two smaller meeting rooms in the Carl A. Jones building, as well as student lounges and shared laboratory space. These facilities once served students in the ETSU College of Medicine prior the opening of the Stanton-Gerber Hall in 2001. Renovations will be needed in one classroom to equip it with computer and projection equipment to allow multimedia presentations and another large classroom is ready for use. Student lounges will require painting and new furniture. The shared laboratory space is currently used part of the year for laboratory sessions in the College of Medicine for microbiology and pharmacology courses. ETSU will schedule rooms for PharmD students, when they are not in use by other departments, for use as a pharmaceuticals laboratory. Faculty offices will be located in existing houses on the VA campus, about 200 yards from the classroom building, until Building 7 on the VA campus can be renovated during years 3 - 5 of program operation. ETSU’s financial plan calls for borrowing \$7.5 to \$10 million for renovation of this 34,000 square foot facility.

The proposed College of Pharmacy plans to share facilities with the ETSU College of Medicine on a long-term basis. Study space in the Medical Library can be available to both medical and pharmacy students. ETSU expects to partner with the College of Medicine to develop the renovated space as a simulated practice area in which student communications skills can be evaluated.

The proposed College of Pharmacy will be part of the campus computer network providing internet access and wireless access on part of the VA campus, with “smart” classrooms to permit development of online courses and resources. Students that do not already own computers will have campus access available through computer laboratories located in the Medical Library and College of Medicine building. Renovations for VA Building 7 will also include additional study and computer areas.

**1.1.20I STUDENT/EMPLOYER DEMANDS:** ETSU is in a unique position to provide intellectual support for regional pharmaceutical business. With the regional emphasis on biotechnology, a College of Pharmacy can provide faculty members that may support research interests of companies such as Eastman Chemical (Kingsport), King Pharmaceutical (Bristol), and Crown Laboratories (Johnson City). The Department of Labor projects a favorable outlook for pharmacists and estimates that Tennessee will require 270 new pharmacists yearly. Tennessee has licensed 380 pharmacists per year (average of last eight years) and there is a current estimated shortage of around 300 pharmacists in Tennessee. The Pharmacy Manpower Project predicted a shortage of up to 150,000 pharmacists by 2020. Students completing an accredited PharmD degree and passing the licensure examination are eligible to enter the workforce at yearly salaries averaging over \$80K.

**1.1.20J NO UNNECESSARY DUPLICATION:** The University of Tennessee College of Pharmacy is the only other program in Tennessee and distance from Northeast Tennessee is a major factor in justifying a second program. Both programs are constructed according to ACPE requirements for accreditation; however, the programs are designed with differences. UTHSC requires completion of three years of Pre-pharmacy study, and ETSU requires two years of Pre-pharmacy study and will have a rural health emphasis.

**1.1.20K COOPERATIVE INSTITUTIONS:** None Indicated.

**1.1.20L DESEGREGATION:** The program will not impede the state's effort to achieve racial diversity.

**1.1.20M ASSESSMENT/EVALUATION AND ACCREDITATION:** Professional programs in Pharmacy are accredited through the Accreditation Council for Pharmacy Education (ACPE). ACPE evaluates quality standards in Mission, Planning and Assessment, Organization and Administration, Curriculum, Students, Faculty and Staff, and Facilities and Resources. ACPE prescribes a planning and quality improvement process for new programs which will be followed as programs are developed. A new program that has no students enrolled but has a Dean may be granted Pre-candidate accreditation status following submission of an application that takes the form of a self-study of the proposed professional program in pharmacy. The granting of Pre-candidate status indicates that a College's planning for the Doctor of Pharmacy program has taken into account ACPE standards and guidelines and suggests reasonable assurances of moving to the next step of candidate status. ETSU would plan to submit its application for pre-candidate accreditation in Fall 2005. If approved, following acceptance of the application at the January 2006 meeting of the ACPE Council and a site visit in Spring 2006, pre-candidate accreditation could be awarded at the June 2006 ACPE Council meeting. ETSU would then expect to continue progression through the ACPE accreditation process and achieve full accreditation status with the graduation of the initial class. Program evaluation would be based on standardized end-of year competency examinations and assessments from pharmacy practice settings, performance on national licensure exams, student employment, program retention and graduation. There are no SACS regional institutional accreditation implications.

### **1.1.20N ARTICULATION:** N/A

**1.1.20O EXTERNAL JUDGMENT** (Graduate Programs): Dr. Robert A. Kerr, Pharm.D. served as the initial expert external reviewer for the proposed School of Pharmacy and new Pharm.D. program. Dr. Kerr is currently Professor and Vice-Chair for Education in the Department of Pharmacy Practice and Science at the University of Maryland School of Pharmacy. He is the immediate past president of the American Association of Colleges of Pharmacy and served on the AACP Janus Commission and has consulted with numerous colleges of pharmacy on curriculum design, program assessment, and preparation for accreditation.

Dr. Kerr noted the importance of the community support and the local pharmacists. He complimented the plans for renovating space, the collaborative research structure, the library and information resources, and the level of understanding and commitment of the university and College of Medicine leadership. His major concerns were associated with the curriculum planning and design, ability to hire adequate faculty, the financial model and the sustainability of the program dependence on student enrollment, local need, and competition from UTHSC. Dr. Kerr made recommendations to address these concerns but was overall supportive of the proposed College of Pharmacy and PharmD program and recommended moving forward with the proposed program.

**1.1.20P COST/BENEFIT/SOURCE:** Fewer than half the expected number of students from East Tennessee interested in Pharmacy choose to attend pharmacy school in Memphis. East Tennesseans have a greater presence at private universities located 300 miles or more from Johnson City, including Mercer University Southern School of Pharmacy (Atlanta), Campbell University School of Pharmacy (Buies Creek, NC), Shenandoah University Bernard J. Dunn School of Pharmacy (Winchester, VA), Samford University McWhorter School of Pharmacy, and Auburn University Harrison School of Pharmacy (Birmingham, AL). The proposed program at ETSU is expected to retain students in the state and thereby have an impact on the shortage of pharmacy practitioners.

The proposed program will adhere to the fiscal conditions set forth by Governor Bredesen on March 17 to create a free-standing School of Pharmacy at ETSU that will operate without any state support and will disclose all sources of revenues, expenditures, and financing arrangements for the operation and capital purposes.

# ESTIMATED NEW COSTS AND REVENUES:

## Financial Projections

## East Tennessee State University College of Pharmacy

What are the estimated new costs?	Year 1	Year 2	Year 3	Year 4	Year 5
1. Expenditures	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
A. One-time:					
New/renovated space	\$350,000	\$2,500,000	\$4,650,000		
Construction Interest	\$0	\$21,580	\$175,780		
Equipment	\$20,000	\$20,000	\$20,000		
Library					
Consultants	\$25,000				
Other - recruitment	\$145,000	\$135,000	\$60,000	\$60,000	\$0
TOTAL for one-time expenditures	\$540,000	\$2,676,580	\$4,905,780	\$60,000	\$0
B. Recurring					
Administration	\$584,167	\$607,533	\$631,835	\$657,108	\$683,392
Faculty	\$56,667	\$831,433	\$1,199,191	\$1,609,658	\$1,674,045
Staff	\$90,417	\$151,533	\$187,595	\$195,098	\$202,902
Pharmacy Residents	\$100,000	\$254,000	\$264,160	\$274,726	\$285,715
Benefits	\$182,813	\$397,625	\$504,655	\$615,466	\$640,085
Equipment				\$20,000	\$20,000
Library	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000
Travel / Prof Development	\$74,083	\$169,297	\$209,519	\$254,149	\$264,315
Other -					
Other - accreditation expenses	\$28,200	\$20,000	\$20,000	\$20,000	\$20,000
Preceptor / Adjunct Teaching	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Maintenance and Utilities	\$75,000	\$150,000	\$225,000	\$300,000	\$300,000
Supplies & Operating Expenses	\$25,000	\$40,000	\$30,000	\$30,000	\$35,000
Administrative Fee to ETSU	\$0	\$117,000	\$243,360	\$379,642	\$526,436
Loan (\$7.5M@6% for 15yr)				\$759,471	\$759,471
TOTAL for recurring expenditures	\$1,281,346	\$2,808,422	\$3,590,314	\$5,195,319	\$5,496,362
<b>TOTAL Expenditures (A + B)</b>	<b>\$1,821,346</b>	<b>\$5,485,002</b>	<b>\$8,496,094</b>	<b>\$5,255,319</b>	<b>\$5,496,362</b>
2. Revenues					
State appropriations (new, FTE)	\$0	\$0	\$0	\$0	\$0
* State appropriations (old)	\$0	\$0	\$0	\$0	\$0
Tuition / Fees	\$0	\$1,170,000	\$2,433,600	\$3,796,416	\$5,264,364
Institutional Resources - Bond	\$350,000	\$2,500,000	\$4,650,000		
Grants / Contracts					
Gifts	\$7,500,000				
Other (in kind donations, etc)					
Salary Share for Clin Faculty	\$0	\$100,000	\$200,000	\$300,000	\$400,000
<b>TOTAL Revenues</b>	<b>\$7,850,000</b>	<b>\$3,770,000</b>	<b>\$7,283,600</b>	<b>\$4,096,416</b>	<b>\$5,664,364</b>
Revenues minus Expenses	\$6,028,654	-\$1,715,002	-\$1,212,494	-\$1,158,903	\$168,001

## Financial Plan – NOTES:

Renovation of VA Building 7 is shown in years 3 and 4. Administrative and Faculty Salaries are budgeted at about the 50th percentile for calendar year appointments at the associate professor level for private colleges of pharmacy. Benefits are budgeted as 25% of faculty salaries. Travel/professional development

is budgeted as 10% of faculty and resident salaries. Preceptor / Adjunct Teaching expenses are included in year 1 to cover preceptor training. In later years, these expenses reflect expenses for offering elective courses taught on a contract basis by part-time faculty. The budget is based on tuition of \$18,000 per year and a class size of 65 students. Tuition for the opening year will be finalized during the accreditation process and will be submitted to the Tennessee Board of Regents for approval. Class size will be increased as facilities are renovated, probably to 90-100 students. A larger class size will permit the college to operate more efficiently. Our goal is to have a lower tuition than the average of regional tuition-funded PharmD programs.

**1.1.30 POST APPROVAL MONITORING:** An annual performance review of the proposed program will be conducted for the first five years following approval. The review will be based on goals established in the approved program proposal. At the end of this period, campus, governing board, and Commission staff will perform a summative evaluation. These goals include, but are not limited to enrollment and graduation numbers, program costs, progress toward accreditation, library acquisitions, student performance and other goals set by the institution and agreed upon by governing board and Commission staff. As a result of this evaluation, if the program is found to be deficient, the Commission may recommend that the governing board terminate the program. Copies of such recommendation will be forwarded to the Education Committees of the General Assembly. The Commission may also choose to extend this period if additional time is needed and requested by the governing board.